

# COWLITZ COUNTY PUD

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## FOR IMMEDIATE RELEASE

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## **COWLITZ PUD BOARD APPROVES 2007 OPERATING BUDGETS**

Cowlitz PUD's Board of Commissioners unanimously approved 2007 operating budgets for the electric and water systems, at its regular board meeting on December 27, 2006.

The electric budget, which calls for no rate increase, totals \$226.8 million. Of that total, \$22.3 million is designated for capital improvement costs — which includes construction of two new substations, major upgrades to three existing substations, introduction of the first phase of an automated meter reading system and replacement of 20 miles of aging underground power lines.

“These are exciting economic times in Cowlitz County. We have projected that electrical use in the county will grow by 10.9 percent in 2007, which is mainly due to new and increased industrial power loads,” PUD Spokesman Dave Andrew said. “That growth creates a demand for additional and improved electrical infrastructure in the county.”

About 72 percent of the 2007 electric budget is designated for wholesale power purchases, mostly from Bonneville Power Administration. Labor costs represent six percent of the budget.

The 2007 water budget totals \$1.69 million and reflects the need for an increased rate for service. The Board of Commissioners is expected to consider a water rate increase in early 2007.

Cowlitz PUD provides water service to about 3,800 customers, including the Columbia Heights, Lone Oak, Cedar Gates, Sunset Way, Beacon Hill, Lexington, Cowlitz Gardens and Ostrander areas.

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